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ZNR UUUUU ZZH
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FM AMCONSUL KOLKATA
TO RUEHC/SECSTATE WASHDC PRIORITY 2298
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE
RHEFDIA/DIA WASHINGTON DC
RUEAIIA/CIA WASHDC
RHEHAAA/NSC WASHINGTON DC
RUEHCI/AMCONSUL KOLKATA 2816

UNCLAS SECTION 01 OF 02 KOLKATA 000067

SENSITIVE
SIPDIS

E.O. 12958: N/A
TAGS: [PGOV](#) [IN](#)
SUBJECT: BHARAT BALLOT 2009: BJP IS DUMPED BY ORISSA ALLY

REF: 08 KOLKATA 330

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1. (U) Summary: On March 7, the 11-year-old National Democratic Alliance (NDA) coalition, led by the Bharatiya Janata Party (BJP), collapsed in Orissa when the regional party, Biju Janata Dal (BJD), withdrew from the coalition. On March 11, Orissa's Chief Minister Naveen Patnaik (BJD) won a trust motion with support from Left parties, the Jharkhand Mukti Morcha (JMM) and the Nationalist Congress Party (NCP). The BJD so far says it has no plans to join the Third Front, but will reward the Left by sharing a few seats. The Left is enthused at the prospect of a future ally and at receiving an image boost. The BJP stands to lose more from the BJD's desertion than just seats -- the willingness of one of the BJP's staunchest allies to walk out of the alliance raises the specter that other less loyal and/or prospective allies could think twice about joining a BJP coalition. End summary.

Orissa's NDA Alliance Splits

2. (U) Since 2000, Orissa has been ruled by an 11-year-old NDA, led by the national BJP with strong support from the regional BJD party. In the 2004 Lok Sabha elections, the NDA swept the state, with BJD winning 11 Lok Sabha seats and BJP winning seven. This left the opposition parties with only three seats, Congress with two and the JMM with one. In the 2004 state assembly elections (Orissa has a 147-member state assembly) the BJD won 61 seats, BJP 32, Congress 38 and other parties 16. Orissa is scheduled for simultaneous Lok Sabha and state assembly polls this April and May. Contacts confirmed that after three rounds of talks on seat-sharing with the BJP, BJD's party leader and Chief Minister, Naveen Patnaik, pulled out of the alliance. In retaliation, a reportedly shocked BJP promptly informed Governor M.C. Bhandare that it was withdrawing support to its coalition partner in the state assembly, thereby reducing the BJD to a minority and forcing the assembly to hold a confidence vote.

BJD Easily Wins a Vote of Confidence With Left Support

3. (U) On March 11, amidst what opposition members claim was chaos in the state assembly, Patnaik kept his government in place by winning a trust motion by "voice vote" as opposition Congress and BJP members walked out protesting the "murder of democracy." The opposition has demanded that the government be dismissed. Patnaik defended the absence of actual tabulation of votes, saying that the opposition did not demand it on the floor of the house. According to BJD contacts, BJD has the support of its 61 legislators, as well as four JMM, two NCP, one Communist Party of India (CPI), one Communist Party of India - Marxist (CPM), and eight Independent legislators. Three BJP legislators reportedly deserted the party, possibly reducing BJP's effective strength from 32 to 29. According to press reports, the

Governor has sought a video recording of the assembly proceedings of the day to confirm the voice vote and the Constitutional correctness of the proceedings.

Behind the Scenes

¶4. (U) Orissa is the second poorest state in India with 35 percent of India's mineral resources. Chief Minister Patnaik is the son of legendary Oriya statesman Biju Patnaik, who was known for his bold regionalism and constant bargaining with Delhi for more political and economic leverage for Orissa. During his lifetime, Biju was close to the Left old-guard, including West Bengal's CPM patriarch, Jyoti Basu, and former CPM General Secretary, Harkishen Singh Surjeet. Chief Minister Patnaik's mentor and confidante, Rajya Sabha member P.M. Mahapatra (a former bureaucrat who was Biju's trusted aide), was a socialist activist in his youth. West Bengal Chief Minister Buddhadeb Bhattacharjee and CPM politburo member Brinda Karat have shared very cordial relations with Patnaik for years. According to contacts, the Left has been wooing Patnaik since it withdrew support from the United Progressive Alliance (UPA) in 2008. On March 5, Biju Patnaik's birth anniversary, CPM politburo member Sitaram Yechury was in Paradip, Orissa, praising Biju Patnaik in his address to a workers' union. On March 8, a day after the BJD pulled out of the NDA, Yechury - considered second-in-command after General Secretary Prakash Karat in the CPM hierarchy - held discussions with Patnaik in state capital Bhubaneswar.

Leading to the Breakup

¶5. (U) Political observers report that Chief Minister Patnaik has been uncomfortable with the non-secular BJP since the Kandhamal riots of 2007-2008 (Reftel) and has been biding his time for an opportune moment to dump the BJP. Others point to the BJP's strident protests against the police killing of 12 tribals resisting land acquisition in Kalinganagar in January

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2006 as another possible sore point. Patnaik was also reportedly annoyed when a section of the BJP campaigned against the government's move to allot iron ore mines to Posco steel company in 2005. According to contacts in BJD, the final straw was a conflict over seat allotments with BJP when Patnaik raised the issue of the party's "winnability" during discussions with BJP MP Chandan Mitra in March 2008.

BJD Stands Alone

¶6. (SBU) BJD spokesperson Damodar Rout has announced that BJD will not form an alliance with any party prior to the Lok Sabha elections. BJD's primary strategist Pyari Mohan Mahapatra told PolFSN that BJD plans only pre-election seat adjustments with the Left and other smaller parties. He explained that so far BJD contested 84 assembly constituencies and won 28 percent votes, leaving the rest to the BJP. With a groundswell of support for Patnaik, he estimates that BJD may garner 39-40 percent of votes and dominate 85-90 assembly seats if it contests most of the 147 constituencies. They hope that voters will follow a similar pattern while simultaneously electing their assembly and parliamentary representatives. An alliance with any bloc - that may color the BJD's identity - may jeopardize the party's prospects in the polls and Patnaik would not want to risk affecting his party's voter base in the state.

Comment

¶7. (SBU) BJP's loss of BJD in the NDA alliance was a severe blow just weeks before the Lok Sabha elections begins. It calls into question the very idea of a BJP-led coalition after the elections. The willingness of one of the BJP's staunchest allies to walk out of the alliance raises the specter that other less loyal and/or prospective allies could think twice about joining a BJP coalition. It also may help UPA win more seats in both the Lok Sabha and the state assembly in Orissa. The Left is only too happy to wean the BJD away from the BJP. It

punctures the balloon of the BJP, a party that the Left loves to hate, while improving the prospects that the BJD may eventually join a Third Front if it proves viable. Patnaik, for his part, cannot join the UPA before the elections since Congress is the principal opposition party in Orissa. But after the elections he has a wide open field and will most likely negotiate the best deal he can get, whether it is with the Congress, the Third Front, or even the BJP. With no other leader to match his stature in Orissa, the habitually cautious Patnaik has ventured into unknown territory in a calculated gamble for the first time in his political life. The payoff could be additional influence and power at national level, possibly even the Prime Minister position.

PAYNE